

DeKalb County, Indiana
2007 Pay 2008 Budget Order

An analysis of the data with the 2007 Pay 2008 Budget Order for DeKalb County shows that the budgets, levies and tax rates to be approved are in compliance with Indiana statutes.

DeKalb County has five cross-county units. DeKalb is the major county for Ashley Town (minor is Steuben), DeKalb County Central United Schools (Steuben), and N.E. Indiana Solid Waste District (Steuben, Noble, LaGrange). DeKalb is the minor county for Hamilton Community Schools and Hamilton Town (Major is Steuben).

DeKalb County has no conservancy districts.

Changes in Local Tax Levies

Tax levy increases are made up of routine increases in controlled levies, increases in tax rate controlled levies and debt service levies. Controlled levies increase based on an annual growth factor or excess levy appeals. Tax rate controlled levies increase based on increases in assessed value applied to a specific tax rate (tax rates are adjusted downward to eliminate the effect of reassessment or trending).

The total net increase in tax levy for Pay 2008 on a county-wide basis was approximately \$3.2 million or 6.50%. Following are the levy changes that were greater than \$1 million or a 10% change over the previous year levy. The largest total dollar levy increases were due to the DeKalb County Central United School Corporation (\$1,194,340) and the DeKalb County Eastern Community School Corporation (\$826,801).

DeKalb County

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Lease Rental Payment	\$424,546	\$231,242	-\$193,304	-45.53%
General	5,571,164	5,306,062	-265,102	-4.76%
Health	132,170	227,075	94,905	71.81%
Aviation/ Airport	12,015	208,326	196,311	1633.9%

DeKalb County Welfare

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Welfare - Family and Children	\$2,100,701	\$2,660,322	\$559,621	26.64%

Total County levy increased by \$422,363 or 4.42%.

Stafford Township

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Fire	\$2,684	\$6,207	\$3,523	131.26%

Total Township levy increased \$3,604 or 38.36%. Received a Fire Protection excess levy appeal of \$3,433 for 2008, which represents almost the entire levy increase for the Township.

Troy Township

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Fire	2,442	5,755	3,313	135.67%

Total Township levy increase of \$3,452 or 40.05%. Received a Fire Protection excess levy appeal of \$3,226 for 2008, which represents almost the entire levy increase for the Township.

Auburn Civil City

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$1,920,539	\$2,211,192	\$290,653	15.13%
Motor Vehicle Highway	949,323	1,111,501	162,178	17.08%

Total City levy increase of \$495,812 or 12.85%. City levied up to max levy amount for 2008.

DeKalb County Eastern Community School Corporation

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Debt Service	1,305,740	2,034,753	729,013	55.83%
Transportation	1,013,706	1,056,450	42,744	4.22%

Total School levy increase of \$826,801 or 11.76%. School received a shortfall appeal for the general fund and transportation fund in the amounts \$181,569 and \$59,249, respectively. While total school tax rate remained unchanged, debt rate was increased to add operating balance in order to make all four payments in 2008.

DeKalb County Central United School Corporation

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$7,043,451	\$7,539,878	\$496,427	7.05%
Debt Service	3,517,046	3,827,661	310,615	8.83%
School Pension Debt	1,017,907	1,485,128	467,221	45.90%
Capital Projects	2,675,810	2,343,736	-332,074	-12.41%

Total School levy increase of \$1,194,340 or 7.32%. Capital projects used to neutralize pension debt. No additional debt issued for 2008.

No units in the County exceeded the working maximum levy. All units in the County levied up to or near their working maximum levy.

No units in the County exceeded the normal statutory growth rate for controlled fund levies.

Changes in Real Property Gross Assessed Values

Real Property Gross Assessed Values increases by property class are as follows.

<u>Class</u>	<u>% Increase</u>
Agriculture	11.40%
Industrial	1.15%
Commercial	5.20%
Residential	3.49%
Exempt	9.99%
Utility	1.49%

Changes in the proportion of Gross Assessed Value by Class can create a burden shift from one class to another. The proportion (mix) of values of real property by class (this can represent the relative tax burden by class, except that it does not include the impact of deductions or credits).

<u>Class</u>	<u>2007 Ratio</u>	<u>2008 Ratio</u>
Agriculture	15.57%	16.56%
Industrial	15.27%	14.74%
Commercial	12.02%	12.07%
Residential	53.81%	53.15%
Exempt	3.16%	3.31%
Utility	0.17%	0.16%

As can be seen from the analysis, a shift from residential and industrial property to agricultural, commercial, and exempt property occurred. This shift was approximately 1.19%.

Change in Net Tax Rates

Changes in net tax rate by district were as follows.

<u>District</u>	<u>Change in NAV</u>	<u>Change in Levy #DIV/0!</u>	<u>Change in Gross Tax Rate</u>	<u>Change in Business Personal Property Net Tax Rate</u>	<u>Change in Real Estate and Other Personal Property Net Tax Rate</u>	<u>Change in Homestead Net Tax Rate</u>
BUTLER TOWNSHIP	1.95%		2.09%	4.83%	6.07%	-6.29%
CONCORD TOWNSHIP	13.06%	11.91%	-1.01%	1.03%	2.42%	-7.57%
ST. JOE TOWN	3.20%	16.36%	12.75%	16.72%	17.82%	2.17%
FAIRFIELD TOWNSHIP	12.74%	14.52%	1.58%	2.89%	3.33%	-8.75%
FRANKLIN TOWNSHIP	14.97%	17.89%	2.53%	5.17%	7.15%	-9.48%
HAMILTON TOWN	0.51%	3.57%	3.05%	5.23%	7.75%	-8.63%
GRANT TOWNSHIP	5.55%	8.74%	3.02%	4.54%	5.33%	-7.77%

WATERLOO TOWN-GRANT TOWNSHIP	1.37%	3.80%	2.40%	3.35%	4.65%	-11.50%
JACKSON TOWNSHIP	6.24%	9.76%	3.32%	5.06%	5.61%	-6.69%
AUBURN CITY-JACKSON TOWNSHIP	-5.07%	0.65%	6.03%	7.66%	8.69%	-6.49%
KEYSER TOWNSHIP	-1.67%	0.40%	2.10%	4.87%	6.10%	-6.18%
AUBURN CITY-KEYSER TOWNSHIP	-19.64%	-15.81%	4.76%	7.26%	8.67%	-5.99%
GARRETT CITY	1.46%	2.83%	1.36%	3.26%	4.56%	-9.78%
ALTONA TOWN	-1.86%	2.41%	4.35%	6.84%	8.43%	-7.15%
NEWVILLE TOWNSHIP	11.49%	11.41%	-0.07%	2.16%	3.72%	-6.32%
RICHLAND TOWNSHIP	6.99%	10.38%	3.17%	4.88%	5.49%	-7.02%
CORUNNA TOWN	2.65%	5.64%	2.92%	3.83%	5.45%	-11.46%
SMITHFIELD TOWNSHIP	12.34%	15.76%	3.05%	4.72%	5.33%	-7.20%
ASHLEY TOWN	-1.25%	2.12%	3.42%	4.51%	5.79%	-9.83%
WATERLOO TOWN-SMITHFIELD TOWNSHIP	-9.65%	-7.49%	2.38%	3.33%	4.64%	-11.49%
SPENCER TOWNSHIP	5.19%	4.07%	-1.07%	0.94%	2.34%	-7.88%
STAFFORD TOWNSHIP	14.88%	15.51%	0.54%	2.89%	4.52%	-5.28%
TROY TOWNSHIP	13.37%	14.06%	0.60%	2.96%	4.59%	-5.19%
UNION TOWNSHIP	1.55%	5.76%	4.15%	6.00%	6.65%	-6.15%
AUBURN CITY-UNION TOWNSHIP	0.40%	6.49%	6.07%	7.71%	8.74%	-6.43%
WILMINGTON TOWNSHIP	26.44%	25.67%	-0.61%	1.48%	3.00%	-6.78%
BUTLER CITY	5.03%	0.40%	-4.40%	-3.47%	-2.17%	-15.33%
AUBURN CITY - GRANT TOWNSHIP	1843.08%	1959.08%	5.97%	-5.89%	6.80%	-6.15%
Average	4.03%	6.50%	2.60%	3.89%	5.64%	-7.78%

Downward pressure on tax rates came from increases in Assessed Value due to trending and the increased Homestead Credit rate. Upward pressure on tax rates came from increases in tax levies, especially debt levies that don't benefit from PTRC/Homestead Credit.

The estimated reduction in net homestead tax bills for DeKalb County is 30.75%. This percentage does not include the effect of the CEDIT Homestead Credit since information for the calculation of this credit is not currently available.

Assessment Status

The DLGF has prepared an analysis of assessed valuation change by property class based on a review of parcel data. The results of this analysis are summarized in the table below:

Property Class	Percent of Parcels with Identified Assessed Valuation Change					
	Decrease	No Change	0 – 10% Increase	10 – 30% Increase	30 – 100% Increase	More Than Doubled
Commercial	8.9%	46.4%	38.3%	2.2%	1.6%	2.6%
Industrial	13.1%	61.9%	20.6%	3.2%	0.5%	0.6%

Residential	10.3%	48.0%	37.1%	3.0%	1.5%	0.1%
Overall	8.1%	41.1%	33.2%	13.2%	4.1%	0.3%

TIF Neutralization Worksheets

The County has several Tax Increment Areas. A Tax Increment Financing (TIF) Neutralization Worksheet must be completed for each TIF District in order to calculate tax increment generated by real property growth rather than increases in assessed valuation due to reassessment or trending. The TIF Neutralization Worksheets were reviewed for both numerical accuracy and for logical analysis and completeness.